JAMES P. KRAUZLIS, ESQ. BADIAK & WILL, LLP Attorneys for Plaintiff 106 3rd Street Mineola, New York 11501 (516) 877-2225 Our Ref.: 07-T-004-JK.

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

BASLER SECURITAS VERSICHERUNGS AG,

Plaintiff,

- against -

AMERICAN AIRLINES, INC., EXPEDITORS INTERNATIONAL OF WASHINGTON, INC., TOWNE AIR FREIGHT, INC. and CENTRAL STATES TRUCKING COMPANY,

Defendants.

07 Civ. 7866 (HB)

OF WASHINGTON, INC.'S, ANSWER TO CROSS-CLAIMS OF AMERICAN AIRLINES, INC.

Defendant, EXPEDITORS INTERNATIONAL GmbH, by their attorneys, Badiak,& Will, LLP, as and for their Answer to the Cross-Claims of Co-Defendant American Airlines, Inc., alleges upon information and belief as follows:

AS TO THE FIRST CROSS-CLAIM

1. Denies knowledge or information sufficient to form a belief as to the allegations contained in the paragraphs of the First Cross-Claim of American Airlines, Inc., designated "EIGHTEENTH", except that it denies the allegations in those paragraphs which relate to the answering defendant.

AS TO THE SECOND CROSS-CLAIM

2. Denies knowledge or information sufficient to form a belief as to the allegations contained in the paragraphs of the Second Cross-Claim of American Airlines, Inc., designated "NINETEENTH", except that it denies the allegations in those paragraphs which relate to the answering defendant.

AS AND FOR ITS FIRST AFFIRMATIVE DEFENSE

3. The Cross-claims alleged by Co-Defendant American Airlines, Inc., fail to state causes of action for which relief can be granted against this Defendant.

AS AND FOR ITS SECOND AFFIRMATIVE DEFENSE

4. Defendant's liability, if any, is limited in accordance with the applicable contracts of carriage or other contracts, bill of lading, tariffs and/or applicable regulations, statutes or treaties.

AS AND FOR ITS THIRD AFFIRMATIVE DEFENSE

5. The alleged damage did not occur while the shipment was in the custody or control of this defendant and/or was not due to any breach of duty owed by this answering defendant.

AS AND FOR ITS FOURTH AFFIRMATIVE DEFENSE

6. If the shipment was lost or damaged as alleged in the underlying complaint, which is denied, any such loss or damage was caused in whole or in part by the negligence of the Plaintiff and/or the Co-Defendants, their respective agents and/or other parties over which this Defendant had no control and for whose negligence this defendant is not responsible, and without any negligence on the part of this answering Defendant contributing thereto.

WHEREFORE, Defendant EXPEDITORS INTERNATIONAL OF WASHINGTON, INC., demands judgment against the defendant AMERICAN AIRLINES, INC., dismissing the Cross-Claims and for judgment in favor of Expeditors International of Washington, Inc., and against Co-Defendant American Airlines, Inc., for indemnification, together with interest and the costs and disbursements of this action and all other relief which this Court may find just and proper under the circumstances.

Dated: Mineola, New York March 25, 2008

> BADIAK & WILL, LLP Attorneys for Plaintiff, EXPEDITORS INTERNATIONAL OF WASHINGTON, INC.

Bv.

JAMES P. KRAUZLIS (JK-4972)

TO:

BARRY GUTTERMAN & ASSOCIATES Attorneys for Towne Air Freight The Lincoln Building 60 East 42nd Street, 46th Floor New York, New York 10165

CICHANOWICZ CALLAN KEANE VENGROW & TEXTOR, LLP Attorneys for Central States Trucking Company 61 Broadway, Suite 3000 New York, New York 10006

MOUND, COTTON, WOLLAN & GREENGRASS Attorneys for Defendant American Air Lines, Inc. One Battery Park Plaza New York, New York 10004 Attn: Francis A. Montbach, Esq.

HILL RIVKINS & HAYDEN LLP Attorneys for Plaintiff 45 Broadway New York, New York 10006 Attn: James A. Saville, Jr., Esq. Index No.: 07 Civ. 7866 (HB)

AFFIDAVIT OF SERVICE

STATE OF NEW YORK)

) SS:

COUNTY OF NASSAU)

I, Jackie Moore, being duly sworn, deposes and says:

I am not a party to the within action, am over 18 years of age and reside at c/o Badiak & Will, LLP, 106 Third Street, Mineola, New York, 11501-4404. On March 26, 2008, I served the within **EXPEDITORS INTERNATIONAL OF WASHINGTON, INC.'S ANSWER TO CROSS-CLAIMS OF AMERICAN AIRLINES, INC.** on:

Barry Gutterman & Associates Attorneys for Towne Air Freight The Lincoln Building 60 East 42nd Street, 46th Floor New York, New York 10165

Mound, Cotton, Wollan & Greengrass Attorneys for Defendant American Air Lines, Inc. One Battery Park Plaza New York, New York 10004 Attn.: Francis A. Montbach, Esq. Cichanowicz Callan Keane Vengrow & Textor, LLP Attorneys for Central States Trucking Co. 61 Broadway, Suite 3000 New York, New York 10006

Hill Rivkins & Hayden LLP Attorneys for Plaintiff 45 Broadway New York, New York 10006 Attn.: James A. Saville, Jr., Esq.

by depositing a true copy thereof enclosed in a post-paid wrapper in an official depository under the exclusive care and custody of the U.S. Postal Service within New York State.

Jackie Moore

Sworn to before me this 26th day of March, 2008)

JOTARY PIBLIC

LISA A. SCOGNAMILLO Notary Public, State of New York No. 5011463

Qualified in Nassau County Commission Expires Apr 19, 19